DP/2003/CRP.19

Distr.: General
29 August 2003

Original: English

Annual session 2003
8 to 12 September 2003, New York
Item 7 of the provisional agenda
United Nations Office for Project Services

Report on the independent review pertaining to the business model and related issues of the United Nations Office for Project Services

Comments of the Executive Director

Summary

The present conference room paper is submitted pursuant to Executive Board decision 2003/4 of 23 January 2003, paragraph 8, in which the Board requested that a preliminary report on progress and recommendations of the review mission be submitted, for information purposes, at its annual session in June 2003.

It provides a summary of the actions being taken to address the concerns of the Independent Review and presents an overview of the business and financial prospects for the remainder of 2003 and 2004.

The MCC has reviewed this paper and endorses the response and comments of the Executive Director of the United Nations Office for Project Services contained therein.

I. Introduction and objectives

1. This conference room paper, as requested by the Executive Board in its decision 2003/4 of 23 January 2003, provides the comments of the Executive Director of the United Nations Office for Project Services (UNOPS) on the final report of the independent review of UNOPS, dated 6 August 2003. The

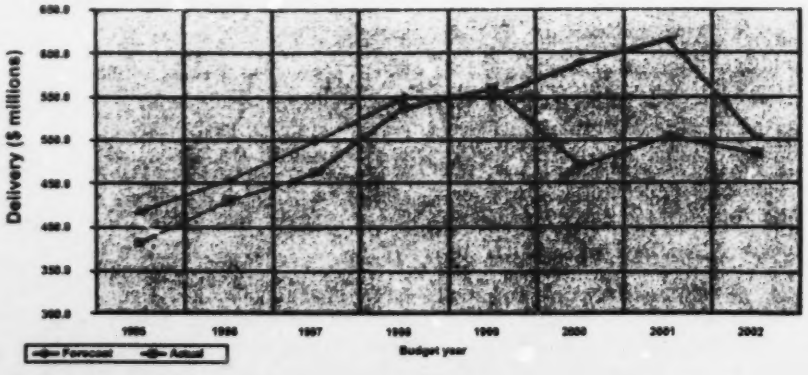
03-48518 (E) 030903

comments are forward-looking, and emphasize steps to be taken to ensure changes in the functioning and organization of UNOPS that will make it a sustainable, effective and efficient entity once again. The objectives of this paper are to address the issues raised in the independent review as they pertain to the current situation facing UNOPS and to seek the endorsement of the Executive Board for the initial change management steps proposed to sustain UNOPS as a self-funding entity within the United Nations system. The recommendations of the Independent Review address both short- and long-term issues for UNOPS; this response will focus on the short-term issues. The long-term issues, including recommendation no. 1 related to changing the mandate of UNOPS to operate beyond the UN and other recommendations related to the UNOPS mandate and governance issues, require more extensive reflection and consultation than was possible for this response. While those issues need to be addressed, in consultation with the Executive Board and the Management Coordination Committee (MCC), the initial focus must be on issues that UNOPS management can address immediately. UNOPS accepts the overall tenor of the recommendations and the need for change; the challenge is to act to achieve positive change.

II. Current situation

2. The UNOPS business model – current and future viability. The most basic objectives of the Independent Review were to address the viability of the UNOPS "revenue dependency" operating model and to summarise the issues facing the UNOPS organization and its continued existence. Today's operative business model is such that UNOPS expenses can be predicted with relative accuracy, while the income to offset those expenses is difficult to predict and can fluctuate dramatically, depending on changes in the volume and value of delivery. Recent experience has shown that delivery – currently the main benchmark for UNOPS – has been difficult to project (see Figure 1 below).

Figure 1: Forecast vs. actual delivery, 1995-2002



3. While delivery has been the dominant benchmark until now, an entity operating under a self-financing model must be focused on margin and the elements that comprise it, namely income and expenditures. Plainly and simply, over the last three years, the income of UNOPS has not been sufficient to cover its expenditures. UNOPS has had to rely on an ever-shrinking reserve to sustain its existence, and has now reached the point where NOT changing is NOT an option. Underpinning the necessary change will be a primary focus on margin rather than on gross delivery. This focus on margin will allow UNOPS to price its work according to the value and complexity of what it is delivering and according to the expense incurred in delivering services to clients. The focus on margin will also allow for reinvestment in UNOPS – in training our human resources, in improving our delivery, and ultimately in delivering more efficiently and effectively to our clients. UNOPS may have come close to losing sight of the fact that clients are the reason for its existence, but it is the job of the Executive Director to make sure that a client-centric approach guides all our reforms and all the decisions that we make. That said, we have a long way to go to get there.

The final report of the independent review

4. The final report of the independent review makes no less than 57 recommendations to be considered for action by UNOPS. While some are new, a number of these recommendations have been made in previous reports and diagnoses of UNOPS by other entities. This report addresses the issue of the UNOPS business model and proposes immediate steps to be taken around a number of core central themes that summarize the most pressing issues facing UNOPS today. These are: (a) business acquisition; (b) ERP technology initiatives; (c) delivery and pricing process and practices; (d) the need to re-design UNOPS to ensure not only cost-effectiveness but also a logical and client-based organizational structure; (e) clarity of vision, mission and mandate; and (f) our overall ability to manage these changes.

5. As noted in paragraph 1, the report raises a number of important issues related to the UNOPS mandate and governance that will need to be addressed in the near future, including recommendations nos. 1, 18, 20, 21, and 46. One recommendation with which I do not concur is no. 18, that the Executive Director should chair the MCC. I believe that this would represent a conflict of interest in the truest sense. Overall, these recommendations are just slightly less pressing than the internal changes that must be initiated immediately within UNOPS. It is essential to engage members of the Executive Board and the MCC on these issues both formally and informally, as the resolution of governance and mandate questions has implications that extend beyond UNOPS alone.

6. This paper does not address recommendations individually but focuses on how UNOPS is addressing the issues raised and what the Executive Board can expect in the coming months according to the six areas of concentration mentioned in paragraph 4 above. Annexed to this paper is a table categorizing the recommendations according to these six areas of concentration.

The financial health of UNOPS

7. Before entering into a more detailed discussion of actions required and/or in progress in these six areas, an update is appropriate on the current financial forecast for UNOPS for the remainder of 2003 and early projections for 2004. The target for 2003 was to break even. UNOPS is generally on track for that goal, perhaps benefiting from previously unforeseen income, as explained below. Current income projections for 2004 are bleak, however, with our pipeline significantly lower for the coming year than our previous years' trends. UNOPS has to institute an integrated change strategy to accelerate business acquisition, cut costs and increase internal efficiencies if the organization is not only to survive but to grow and add value within the United Nations system.

8. It is possible that UNOPS may be granted a short-term grace period to institute changes, thanks to the likelihood of unexpected revenues in 2003 from our Iraq operations. UNOPS is expecting to generate income from the short-term servicing of a range of contracts being terminated as the Oil-For-Food programme is closed down in Iraq later this year. This once-off situation is likely to generate previously unforeseen income of anywhere from $5 million to $30 million, pushing 2003 income projections above our earlier projections of $44.5 million. The wide range of value is a reflection of the uncertainly of the situation in Iraq and greater specificity will be possible only later in the year. With the addition of the Iraq monies in the short term, UNOPS will be able to balance its books in 2003 and will, in addition, be able to (a) return monies borrowed earlier against the Reserve; ($700 000); (b) deposit some additional funds into the Reserve; and (c) begin to invest in the changes which are discussed below, which are necessary to put UNOPS on the road to viability as an organization. However, this is only a short-term reprieve.

9. It is too early in the process to have an accurate estimate of the overall costs of the change management effort, but UNOPS is very conscious of the need to spend prudently and make investments in the organization with the highest return. A budget for expenditures and a progress update on the change initiatives will be provided at the next session of the Executive Board, in January 2004. The six working groups discussed below form the basis of our overall change management plan and will be central to providing UNOPS with the ability to grow.

III. Actions in progress

Business acquisition

10. Clearly one of the most pressing needs of UNOPS is to acquire additional business for 2004 and beyond. We have begun a process of identifying what business is in the pipeline on which we can focus attention to ensure that the business is secured. We are analysing not only our existing clients but also opportunities to build relationships and business with new partners. We remain dependent on UNDP for the largest portion of our income,

despite the decline in overall delivery related to this organization. The independent review points to a number of areas in which UNDP and UNOPS can work together to clarify and strengthen the mutual benefits of their relationship We will be launching a concerted effort to win business that leverages what we do best, namely, project management, procurement and a range of advisory and other specialist services.

11. I believe that UNOPS is uniquely positioned to deliver these services to other UN organizations, and we need to make sure that our clients believe in, and benefit from, the added value that UNOPS can bring to their operations. The working-group focus on business acquisition has the long-term objectives of ensuring that our process for managing client opportunities is clear, that the roles and responsibilities for business acquisition and for managing relationships are understood, and that the changes to how we will be pricing our services are incorporated into the way we secure business with our clients.

Systems: step one – Enterprise Resource Planning (ERP)

12. A number of systems changes are required to ensure that timely, accurate information is available for managing UNOPS. The ERP initiative is the first and most critical such change, and UNOPS has joined the initiative of UNDP to migrate to ERP. The UNOPS working group addressing this matter has been in place for a number of months and has reached a point where it requires further assistance. We are in the process of implementing an ERP technical solution that will have far-reaching impacts on our business. To date, we have been attempting to manage the transition and implementation to the new ERP environment with staff working mostly part-time on the process, but who are also maintaining other full-time responsibilities. Should this situation continue, the success of the implementation would be in serious jeopardy and we could potentially be unable to report to our clients with the financial and other information they require. We have therefore determined what additional resources are needed to improve our prospects of success with the ERP implementation and are in the process of securing those resources. The ERP implementation also has critical implications for nearly every aspect of our business – and our change efforts – and will require close coordination with the other working teams.

Delivery and pricing of services

13. The third working group will address how we price our services and how we deliver them to clients. As previously alluded to, our current pricing scheme is typically based on a percentage of the value of the delivery amount rather than on the cost of delivering the goods or services. We have found that this no longer works for a number of reasons, including: competition; trends in ODA; donor pressure on recipient agencies to reduce costs; and changing market conditions overall. The current system must therefore change.

14. At the same time, we must achieve greater transparency in our pricing mechanisms and improvements in how we are delivering to our clients. We currently have no formal mechanism for client feedback about our performance, and our approach to delivery varies widely. All this needs to change. Standardizing these and other aspects of our delivery will have

significant benefits for both UNOPS and its clients and will enhance our reputation for quality.

Organizational structure

15. As will be recalled from the report on the independent review, a number of recommendations were made regarding the organizational structure of UNOPS and how it takes its services to market. On the operational side, there has been internal competition between divisions for business – which has caused confusion for our clients, who are sometimes unclear about which UNOPS department is handling their needs. The fortress mentality within UNOPS may have served the purposes of some individual departments, but it has hurt the organization overall and damaged its reputation.

16. We also have the opportunity to evaluate whether our strategic support services, including human resources, finance, and others, can be delivered to UNOPS through lower-cost locations. Some of the outcomes of the working group on organizational structure will be difficult for the organization to face. We may ask colleagues to move to other locations; we may be parting company with some colleagues, and we may dismantle some internal structures that have allowed certain parts of the organization to grow comfortable over the past several years.

17. We will be facing these challenges while maintaining our focus on short-term business acquisition, the transition to ERP, and all the other changes occurring in UNOPS. I have committed to colleagues in UNOPS that we will be making decisions based on the most logical, rational way of executing our business. I have also committed that, for those colleagues who will face some of the difficult transitions just mentioned, UNOPS will provide them with whatever support we can to see them through the transition process. In my first few weeks at UNOPS, I have made it clear to colleagues that UNOPS must disavow itself of the notion that its existence is guaranteed. It is up to the people of UNOPS to create a sustainable organization.

18. The organizational redesign is complicated by several additional factors. The last few years have been a period of decreasing morale, an increasing lack of trust and divisiveness between managers and staff, and confusion over UNOPS culture and values. Despite all this, it is clear that the great majority of people in UNOPS are willing to change and have recognized that change is required. We will be leveraging this belief by involving staff from all levels and contract types in the working groups. Candidates for the working groups have been nominated by division chiefs, managers, the staff management forum and individual staff members. The response has been overwhelming, indicating the enthusiasm of staff for finally "getting on with it."

Vision, mission, mandate

19. I have touched upon a number of issues to be addressed by this working group. Ensuring that all of UNOPS is clear about our mission and vision is critical for making certain that our staff are fully engaged in their work and in the organization for which they are working. We need to be clear about why we exist: to contribute to the success of our clients and the fulfilment of their needs in a fiscally responsible manner; to provide opportunities for interesting

work and advancement to our people; to ensure respect for each and every individual; and to be accountable, individually and collectively, for our responsibilities. We have begun discussing our mission and vision with our senior leadership team, and we will continue these discussions with the rest of the organization as and when our leadership team is aligned, since not only the Executive Director but all of UNOPS leaders and staff are critical to our change effort.

Management of the change process

20. The final working group is one that I expect to lead personally, the group responsible for managing all these changes. For a variety of reasons that have been covered in great detail elsewhere, UNOPS has not historically been successful managing large-scale change efforts. Managing change requires specific knowledge, skills and abilities developed through experience. For that reason I have chosen to seek the advice of an outside consulting firm to provide me with guidance and counsel, and some implementation help, in managing this process. They have been applying their experiences in managing organizational change at UNOPS by helping me to clarify the UNOPS path forward. However, it is important to note – and they very much agree with this point – that the required change has to come from, and be owned by, those within UNOPS. That is the only way to ensure sustainable change.

III. Summary and next steps

21. As I have mentioned, our six working groups will be tackling the most pressing issues for UNOPS at once: business acquisition; the ERP implementation; delivery and pricing; organizational redesign; our mission and vision; and overall change management. All of this change comes with a cost. With the addition of the unanticipated Iraq income, I believe we will be able to cover a significant portion of the costs required for change, while at the same time replenishing some of our reserve. It is too soon to know what the costs for change will be as UNOPS is still early in the change process. I expect to return to the Executive Board in January 2004 with a status update, which will include a detailed budget for the change process and an indication of how that budget is to be financed. In addition, we will need to address the governance and mandate issues alluded to earlier. But first things first.

22. There will be significant changes made within UNOPS over the next four to six months. Our continued existence depends on such changes. One thing is certain – business as usual is not an option. I respectfully submit this paper as my response to the independent review and request that the Executive Board endorse the change management approach set forth here.

		CM				BPD				OR	
		ST	LT			ST	LT			ST	LT
R01	Recommendation no. 1: The Executive Board should change the UNOPS mandate to permit implementation of projects and programmes on behalf of recipient governments for donor-funded programmes and projects.										
R02	Recommendation no. 2: The Executive Board and the Secretary-General should once again encourage the United Nations Secretariat, UNDP, and other United Nations organizations to consider using UNOPS as an executing/implementing agency where practical.										
R03	Recommendation no. 3: UNOPS should consider decentralizing portfolio management teams to the geographic location that will provide the best service to clients.									x	
R04	Recommendation no. 4: UNOPS should ensure that it maintains a strategic assessment capability to constantly reassess the need for its services and ensure that it maintains the services and capacities required to keep it current with the evolving needs of clients.										
R05	Recommendation no. 5: UNOPS should develop a business development function staffed with an individual with extensive experience in business development. In addition, future performance indicators for both division managers and portfolio managers should emphasize business development activities.									x	HR
R06	Recommendation no. 6: The UNOPS organizational structure should be redesigned, with fewer divisions to eliminate thematic and geographic overlaps, to comprise five geographic operational divisions - Americas (New York), Europe (to be determined), Asia (Kuala Lumpur), East and West Africa (Nairobi, Dakar) - and a corporate division (New York).									x	
R07	Recommendation no. 7: UNOPS should cultivate, through policies, tools, performance appraisal and senior management leadership, an organizational culture that promotes knowledge management, information sharing and behaviour focused on client delivery and the overall good of the organization.	x	x								
R08	Recommendation no. 8: UNOPS should consider, as part of its human resource strategy, increased use of low-cost and short- to medium-term staffing mechanisms to supplement its base staffing complement during peak periods, and use of retainer-type arrangements in situations where specialized expertise is required for a short duration.										HR
R09	Recommendation no. 9: The Executive Director of UNOPS should ensure that the Division for Human Resources Management is supported to focus on human resources issues, policies, procedures and practice.									x	HR
R10	Recommendation no. 10: Staffing should take into consideration the need to address gender imbalances within the professional and general service categories within UNOPS.		x								
R11	Recommendation no. 11: Management should carefully review tasks being assigned to staff and ensure that these are consistent with job profiles.										HR
R12	Recommendation no. 12: Corporate-wide policies, procedures, tools and templates should be updated or created and supported by professional development training modules to ensure high quality, consistent levels of service delivery.										HR
R13	Recommendation no. 13: Additional indicators of success should be incorporated into performance reporting requirements to broaden the UNOPS focus on results for clients. These should include internal support functions to other offices and projects.										
R14	Recommendation no. 14: Managers in all offices responsible for staff performance appraisal reviews should receive concentrated training on the proper utilization of the performance review as a management tool.										HR
R15	Recommendation no. 15: Staff should assess the performance of managers (360-degree feedback).										HR
R16	Recommendation no. 16: When time and resources permit, career paths for all staff should be assessed to determine options and and career plans.										HR
R17	Recommendation no. 17: As resources become available, professional development/ training plans should be developed for managers and staff so as to enhance the ability of UNOPS to deliver value-added services to clients. For staff, the plans could include field visits and other types of hands-on training opportunities, provided this could be accomplished without negative budget implications and with client concurrence.										HR
R18	Recommendation no. 18: The MCC should continue, but the UNOPS Executive Director should become the Chair. Membership of the MCC should be revised to ensure that a broader array of clients, users, and potential users be included, and that members are of the competence and level to ensure that the accountability and fiduciary responsibilities of UNOPS are fulfilled.										
R19	Recommendation no. 19: The role of the MCC should be to provide strategic direction in business development, to ensure best practices, and to ensure that UNOPS continues to be viable.										
R20	Recommendation no. 20: A separate segment of the UNDP Executive Board should be created to deal with UNOPS. The Executive Board responsibilities for UNOPS should be reflected in its title as Executive Board for UNDP/UNFPA/UNOPS.										
R21	Recommendation no. 21: The role of the Executive Board should be to provide oversight and to foster the continued development of UNOPS as a common service agency. The Board should actively encourage United Nations organizations to use UNOPS or allow UNOPS to compete on administrative and implementation activities, and to avoid duplication by others of activities that should be developed within UNOPS.										
R22	Recommendation no. 22: The eventual memorandum of understanding (MOU) with UNDP for central services must clearly stipulate the services to be provided by UNDP, the service standards and levels to be expected, the basis upon which costs will be determined, the cost drivers, the roles and responsibilities of each organization, and the protocol for expeditious escalation and resolution of conflicts.										
R23	Recommendation no. 23: The UNOPS Executive Director should ensure that the MOU includes sufficient detail to enable UNOPS to compare the cost effectiveness of having the services provided by UNDP with alternative approaches. The information should then be used as a basis for future decisions regarding the breadth of services to be provided by UNDP.										

BA = Business Acquisition
CM = Change Management

DP = Delivery/Pricing
ERP = ERP/Technology
LT = Long Term

MV = Mission/Vision
OR = Organization Re-design
ST = Short Term

		CM			ERP			OR	
		ST	LT		ST	LT		ST	LT
R34	Recommendation no. 34: The UNOPS Executive Director should take the necessary actions to ensure, when UNOPS requires non-standard services from UNDP country offices, that details of services to be provided and costs to be charged are negotiated in advance. The protocol for such negotiations should minimize the level of effort required by UNOPS and UNDP staff to establish a fair, transparent arrangement.								
R25	Recommendation no. 25: The UNOPS Executive Director should ensure that any future disputes arising between UNOPS and UNDP country offices related to this newly signed MOU are resolved quickly and with minimal effort from both organizations.								
R26	Recommendation no. 26: A UNOPS policy statement should be prepared requiring portfolio managers to use the newly created Universal Price List as a comparative base for determining the most cost-effective approach to providing UNOPS services.								
R27	Recommendation no. 27: UNOPS should develop, in consultation and negotiation with the landlord, as required, a much more aggressive strategy either to sublet a substantial portion of the Chrysler premises over the long term or break the Chrysler lease.								Ops
R28	Recommendation no. 28: The Executive Board, depending upon the specific strategies recommended by UNOPS management, should assist in communicating and recommending the availability of Chrysler Building space to other United Nations organizations.								Ops
R29	Recommendation no. 29: The UNOPS Executive Director should take the necessary actions to ensure that the implementation of ERP/PeopleSoft is properly planned, resourced and carried out so that the deficiencies of the current IMIS system are addressed.				x				
R30	Recommendation no. 30: The UNOPS Executive Director should ensure that the issue of the continued need for the current suite of UNOPS "black book" or "shadow" systems is explored and addressed as part of the move to ERP/PeopleSoft.				x	x			
R31	Recommendation no. 31: UNOPS should ensure, as a matter of corporate policy, that the financial reporting requirements of clients are well understood prior to acceptance and start of the project so that actions can be taken to ensure that client needs are met.				x	x			
R32	Recommendation no. 32: UNOPS should take the necessary actions, both in the interim period and post-PeopleSoft, to institute a more businesslike, periodic approach to monitoring and managing income and expenditures. This approach must be based on timely, accurate information.				x				Fin
R33	Recommendation no. 33: UNOPS should move towards project cost calculation based on level of effort, costs incurred and an overhead rate that reflects market conditions and risk to the organization				x				
R34	Recommendation no. 34: UNOPS should revamp the current project acceptance process into one based on the assessment of a comprehensive set of criteria and carried out in a more efficient, businesslike, professional and transparent manner.				x			x	
R35	Recommendation no. 35: UNOPS should immediately conduct an ERP implementation "readiness/risk" assessment, in consultation with the system integrators, to identify the highest technical, business and human risks as well as opportunities for UNOPS.				x				
R36	Recommendation no. 36: Once the readiness/risk assessment is completed, the UNOPS Executive Director should ensure that sufficient resources are made available to address the issues raised.				x				
R37	Recommendation no 37: The complete suite of UNOPS financial policies and procedures should be revamped and developed based on sound financial principles.								Fin
R38	Recommendation no. 38: UNOPS should work towards establishing processes and an environment where corporate policies and procedures, especially those related to financial transactions and financial management, are well understood and consistently applied.								Fin
R39	Recommendation no. 39: The procurement of goods and contracting for services should be a UNOPS core competence, following international public procurement standards - a low-cost, responsive professional public procurement service using state-of-the-art procurement and contracting processes supported by information technology and E-commerce.					x		x	
R40	Recommendation no. 40: Responsibility, authority and oversight for procurement of goods and services should be centralized, reporting to a chief of procurement services. Delegation of operational authority should be assigned to specific positions or persons, at the regional or project level, to meet specific client needs for timelines, efficiency and effectiveness. The delegation of authority should be subject to specific financial and duration limits.							x	
R41	Recommendation no. 41: Professional staff engaged in procurement should have formal procurement training and should demonstrate competence and the ability to conduct professional procurement.								Proc
R42	Recommendation no. 42: UNOPS procurement professionals should encourage, and actively promote, cooperation with other procurement offices of the United Nations system, in particular IAPSO, to take advantage of existing prices, terms and conditions negotiated under any supply arrangement with United Nations suppliers.							x	Proc
R43	Recommendation no. 43: The change management team for the introduction of ERP systems to UNOPS should include a senior procurement officer with a strong information technology background to ensure that the new systems fully support procurement operations and incorporate E-commerce processes.				x				
R44	Recommendation no. 44: UNOPS procurement professionals should devise and produce a web-based UNOPS procurement handbook and training program. Changes and updates to the new manual and training requirements should be promulgated.								Proc
R45	Recommendation no. 45: UNOPS should consider formalizing an arrangement with IAPSO with a longer-term view of reducing overlap and duplication between UNOPS and UNDP operations.								x
R46	Recommendation no. 46: The Executive Director should seek confirmation from the Executive Board that the revenue dependency business model, together with its implications in terms of change, removal of barriers and lessening of restrictions, should be the approach to establishing the long-term viability and sustainability of UNOPS.								Gov
R47	Recommendation no. 47: The UNOPS Executive Director should make clear to all staff and management the potential for, and serious consequences of, insufficient commitment to participation in a change management process designed to revitalize UNOPS.		x						

BA = Business Acquisition
CM = Change Management

DP = Delivery/Pricing
ERP = ERP/Technology
LT = Long Term

MV = Mission/Vision
OR = Organization Re-design
ST = Short Term

	Recommendations emanating from the independent review of the United Nations Office for Project Services (UNOPS)	BA		CM		DP		ERP		MV		OR	
		ST	LT	ST	LT	ST	LT	ST	LT	ST	LT	ST	LT
R48	Recommendation no. 48: In order to ensure an anticipatory or proactive response to the changes anticipated by this report and mitigate the inevitable resistance to change, UNOPS should prepare a change management plan detailing the sequence of events and responsibilities, ensuring that each activity is adequately addressed.			x	x								
R49	Recommendation no. 49: The UNOPS business model should be based on fees related to the level of effort required for the delivery of services.					x							
R50	Recommendation No. 50: To support the fee-for-service business model concept, UNOPS should introduce a system to track time for project-related activities.					x		x					
R51	Recommendation no. 51: The UNOPS business model should include the preparation of fee-for-service proposals for projects.					x							
R52	Recommendation no. 52: The UNOPS business model should progressively reflect a system of projecting revenues related to contracts and proposals for fee-for-service and agreed level of effort.					x							
R53	Recommendation no. 53: UNOPS should reflect the discipline required in a revenue-dependent business model by limiting administrative expenses to the available notional cash flow, related to the level of effort expended in project delivery.					x							
R54	Recommendation no. 54: The UNOPS business model should include the discipline of an operational reserve revolving fund line of credit. The line of credit drawdown also serves as a key operational performance indicator.												Fin
R55	Recommendation no. 55: The UNOPS business model should set as a target the rebuilding and maintenance of a strategic reserve revolving fund of approximately ten million dollars.												Fin
R56	Recommendation no. 56: To restore the long-term viability and sustainability of the business model, UNOPS should establish target amounts for promotion, reinvestment, training and rebuilding the operational reserve and should incorporate these into the administration expense planning and budgeting process.				x								
R57	Recommendation no. 57: The Executive Director should seek bridge financing to cover the cost of restoring the financial health of UNOPS and ensuring its viability and sustainability.			x									

BA = Business Acquisition
CM = Change Management
DP = Delivery/Pricing
ERP = ERP/Technology
LT = Long Term
MV = Mission/Vision
OR = Organization Re-design
ST = Short Term